



NEWS RELEASE

FOR IMMEDIATE RELEASE

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IOWA FINANCE AUTHORITY ANNOUNCES \$8 MILLION IN FEDERAL HOUSING TAX CREDITS TO SUPPORT AFFORDABLE HOUSING IN CEDAR RAPIDS

Federal Housing Tax Credit Homeless Set-Aside to Expand Affordable Housing

DES MOINES – The Iowa Finance Authority (IFA) Board of Directors recently awarded \$8 million in federal housing tax credits to assist in the construction of 41 affordable rental units for families including five units dedicated to supportive housing for currently homeless households in Cedar Rapids.

The IFA Board of Directors awarded Crestview Ridge Apartments \$800,000 in federal housing tax credits. The actual award exceeds \$8 million because the credits are committed annually for a 10-year period. The project will be developed by CommonBond Communities and will include a partnership with Willis Dady Emergency Shelter to provide case management and supportive services.

More than \$68.6 million in 2016 Housing Tax Credits was awarded to eleven projects totaling 549 units through the competitive scoring round in March. The tax credits announced today were made available through the new 2016 Housing Tax Credit non-competitive homeless demonstration set-aside.

“The Iowa Finance Authority created the new homeless demonstration set-aside to increase housing opportunities for homeless Iowans,” said Iowa Finance Authority Executive Director Dave Jamison. “I commend CommonBond Communities and Willis Dady Emergency Shelter for joining forces to serve some of Cedar Rapids’ most vulnerable citizens.”

The Internal Revenue Service makes an annual per capita allocation of federal tax credits to each state for the federal Housing Tax Credit program. The Iowa Finance Authority is charged with allocating those credits to affordable housing developers. The developers who receive tax credits sell them to investors to generate equity for the housing developments. The tax credits provide a dollar-for-dollar reduction to the investor’s federal tax liability on ordinary income.

The Iowa Legislature created The Iowa Finance Authority, the state’s housing finance agency, in 1975 to undertake programs to assist in the attainment of housing for low and moderate-income Iowans.

2016 Homeless Demonstration Set-Aside Award:

Crestwood Ridge Apartments, Cedar Rapids

- Address: 1200 Edgewood Road NW
- Units/Eligibility: 41 affordable units for families
- Project Type: New Construction
- Tax Credit Award: \$800,000
- Developer: CommonBond Communities
- Qualified Service Provider: Willis Dady Emergency Shelter

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